

# Arizona Department of Administration Human Resources Division - Benefit Services

## 2014 COBRA Participant Benefit Guide



### In This Guide:

- Benefit Expo Dates
- Benefit Changes
- Benefit Eligibility
- Medical & Prescription Benefits
- Dental Benefits
- Vision Benefits

Open Enrollment: October 28 through November 15, 2013





## CONTACTS

### ADOA Contacts

Human Resources Division-  
Benefit Services  
100 N. 15th Ave #103  
Phoenix, AZ 85007  
602.542.5008 or 1.800.304.3687  
Fax 602.542.4744  
[www.benefitoptions.az.gov](http://www.benefitoptions.az.gov)  
[BenefitsIssues@azdoa.gov](mailto:BenefitsIssues@azdoa.gov)

Benefit Options Wellness  
602.771.9355  
[www.benefitoptions.az.gov/wellness](http://www.benefitoptions.az.gov/wellness)

Employee Assistance Program  
602.771.9355  
[www.benefitoptions.az.gov/wellness/eap.asp](http://www.benefitoptions.az.gov/wellness/eap.asp)

### Medical Plans

Aetna  
1.866.217.1953  
[www.aetna.com](http://www.aetna.com)  
Policy Number 476687

Blue Cross Blue Shield of Arizona  
network administered by AmeriBen  
1.866.955.1551  
[www.myameriben.com](http://www.myameriben.com)  
Policy Number 1009013

Cigna  
1.800.968.7366  
[www.cigna.com/stateofaz](http://www.cigna.com/stateofaz)  
Policy Number 3331993

UnitedHealthcare  
1.800.896.1067  
[myuhc.com](http://myuhc.com)  
Policy Number 705963

### Pharmacy Plan

MedImpact  
1.888.648.6769  
[www.benefitoptions.az.gov](http://www.benefitoptions.az.gov)  
[ADOAcustomerservice@medimpact.com](mailto:ADOAcustomerservice@medimpact.com)

### Vision Plan

Avesis, Inc.  
1.888.759.9772  
[www.avesis.com](http://www.avesis.com)  
Advantage  
Policy Number 10790-1040  
Plan Number 938AZ  
Discount Policy Number 10000-4  
Plan Number 9000

### Dental Plans

Delta Dental  
602.588.3620  
1.866.9STATE9  
[www.deltadentalaz.com](http://www.deltadentalaz.com)  
Policy Number 7777-0000

Total Dental Administrators  
Health Plans, Inc. (TDAHP)  
602.381.4280  
1.866.921.7687  
[www.TDAdental.com/adoa](http://www.TDAdental.com/adoa)  
Policy Number 680100

### Flexible Spending Accounts

ASI Member Services  
1.800.659.3035  
[www.asiflex.com](http://www.asiflex.com)  
[asi@asiflex.com](mailto:asi@asiflex.com)

### Life & Short-Term Disability Plans

The Hartford  
1.866.712.3443  
<http://groupbenefits.thehartford.com/arizona/>  
Policy Number 395211

### Long-Term Disability Plans

Sedgwick CMS  
(ASRS participants)  
1.818.591.9444  
[www.vpainc.com](http://www.vpainc.com)

The Hartford  
(PSPRS, EORP, CORP, and ORP,  
retirement participants)  
1.866.712.3443  
<http://groupbenefits.thehartford.com/arizona/>  
Policy Number 395211

### For University Employees

UNUM - Short-Term Disability  
1.800.799.4455  
[www.unum.com](http://www.unum.com)

Aetna Life Insurance  
1.800.523.5065  
[www.aetna.com](http://www.aetna.com)

### Arizona State University

855.278.5081  
<https://cfo.asu.edu/hr-benefits>  
[HRESC@asu.edu](mailto:HRESC@asu.edu)

### Northern Arizona University

Human Resources  
928.523.2223  
[www.hr.nau.edu](http://www.hr.nau.edu)  
[hrcontact@nau.edu](mailto:hrcontact@nau.edu)

### University of Arizona

Benefits Office  
520.621.3662, Option 3  
[www.hr.arizona.edu](http://www.hr.arizona.edu)  
[benefits@email.arizona.edu](mailto:benefits@email.arizona.edu)







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This Benefit Options guide is designed to provide an overview of the benefits offered through the State of Arizona Benefit Options Program. The actual benefits available to you and the descriptions of these benefits are governed in all cases by the relevant Plan Descriptions and contracts. The State of Arizona reserves the right to modify, change, revise, amend or terminate these benefits plans at anytime.



# INTRODUCTION

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## Welcome to the 2014 COBRA Participant Benefit Guide!

This guide describes the benefits offered by the State of Arizona, Department of Administration, Human Resources Division, Benefit Services comprehensive benefits package “Benefit Options” effective January 1, 2014. Included in this reference guide are explanations of the benefits programs, important plan information, contact addresses, phone numbers, web addresses, and comparison charts. This guide is intended to help you understand your benefits.

The guide is divided into chapters, each covering a specific benefits program or important information. We encourage you to review each section before making your benefit elections.

For more information, please refer to your plan descriptions. If you need additional information, please visit our website at [benefitoptions.az.gov](http://benefitoptions.az.gov) or call us at 602.542.5008 or toll free at 1.800.304.3687.

This Benefit Options guide is designed to provide an overview of the benefits offered through the State of Arizona Benefit Options Program. The actual benefits available to you and the descriptions of these benefits are governed in all cases by the relevant plan descriptions and contracts. The State of Arizona reserves the right to modify, change, revise, amend or terminate these benefits plans at anytime.





## BENEFITS CHANGES FOR PLAN YEAR 2014

### Medical Plan Changes

#### ***Residential Substance Abuse***

The 90 visit limitation for Residential Substance Abuse will be removed. In addition, all mental health diagnoses will be eligible to be covered in a residential treatment setting.

#### ***Laparoscopic Sleeve Gastrectomy***

The medical plan will now provide coverage for Laparoscopic Sleeve Gastrectomy.

### Pharmacy

#### ***Employer Group Waiver Program***

The pharmacy plan will be converting from a Retiree Drug Subsidy Program to an Employer Group Waiver Program. This change will result in a separate prescription plan for Medicare Retirees only. The changes will be implemented with limited disruption to the retirees.

### Dental Plan Changes

#### ***Delta Dental PPO plus Premier (self funded)***

The six (6) month waiting period will be removed for all Class III benefits which include:

- crowns
- onlays
- bridges
- partial/complete dentures
- bridge/denture repair
- orthodontic
- and implants services

The reimbursement period for orthodontics will be extended from six (6) months to twelve (12) months.

The change will result in one payment upon insertion/banding of the appliance and a second payment issued at twelve (12) months if the member is still eligible for benefits under the plan.

### New Health Insurance Marketplace Coverage

When key parts of the health care law take effect in 2014, there will be a new way to buy health insurance: the Health Insurance Marketplace. To assist you as you evaluate options for you and your family, a notice that provides some basic information about the new Marketplace and the Benefit Options health coverage is available at [benefitoptions.az.gov](http://benefitoptions.az.gov).

### Notice about the Summary of Benefit and Coverage (SBC) and Uniform Glossary

On February 9, 2011, as part of the Affordable Care Act (ACA), the federal government announced new rules regarding the disclosure of the Summary of Benefits and Coverage (SBC) and Uniform Glossary. These regulations require group health plans and health insurance issuers that offer coverage for groups and individuals to provide access to the SBC and Uniform Glossary effective October 22, 2012. The SBCs documents along with the uniform glossary will be posted electronically to the Benefit Options Website [benefitoptions.az.gov](http://benefitoptions.az.gov). You may also contact Benefit Services to obtain a copy.





# ELIGIBILITY

The following persons may be eligible for COBRA coverage:

1. An employee who had coverage through the State of Arizona and lost the coverage because of a reduction in hours of employment or a termination of employment for a reason other than gross misconduct.
2. An employee's legal spouse, as defined by Arizona Statute, or same-sex domestic partner who had coverage through the State of Arizona and lost the coverage for any of the following reasons:
  - Death of the employee;
  - Termination of the employee's employment for a reason other than gross misconduct;
  - Reduction in the employee's hours of employment resulting in a loss of eligibility for coverage;
  - Divorce or legal separation from the employee;
  - The employee becomes eligible for Medicare.
3. An employee's dependent child who had coverage through the State of Arizona and lost the coverage for any of the following reasons:
  - Death of the employee (parent);
  - Termination of the parent's employment for a reason other than gross misconduct;
  - A reduction in the parent's hours of employment resulting in a loss of eligibility for coverage;
  - The parents' divorce or legal separation, termination of same-sex domestic partnership;
  - The parent becomes eligible for Medicare or,
  - The dependent ceases to be a dependent child as defined by the Benefit Options program.

**The ADOA Human Resources Division, Benefit Services will determine final eligibility for COBRA coverage.**

## **Eligible dependent children include:**

- Natural, adopted and/or stepchild who is under 26 years old;
- A person under the age of 26 for whom the employee-member has court-ordered guardianship;
- Foster children under the age of 26
- Children placed in the employee-member home by court order pending adoption;
- Natural, adopted and/or stepchild who are disabled prior to age and a dependent under the Plan at the time of the disability.

*Please note: If your dependent child is approaching age 26 and is disabled, immediately contact the ADOA Human Resources Division, Benefit Services regarding procedures to continue coverage for this dependent. Application for continuation of dependent status must be made within 31 days of the child's 26 birthday. You will need to provide verification that your dependent child has a qualifying permanent disability, in accordance with Social Security Administration (SSA) guidelines, that occurred prior to his or her 26 birthday.*

## **Qualified Medical Child Support Order (QMCSO)**

If a QMCSO exists, you must continue coverage for your dependent pursuant to the Order. You may not terminate coverage for a dependent covered by a QMCSO.





## ELIGIBILITY Continued

### Domestic Partners

Pursuant to a change in Arizona law, A.R.S. § 38-651(O), domestic partners are not eligible dependents under the State of Arizona's benefit plan. As a result, this Arizona law precludes previously qualified same-sex and opposite-sex domestic partners from receiving benefits that were created by administrative rulemaking in Arizona Administrative Code § R2-5-101(22).

Accordingly, the State of Arizona will not be offering benefits to opposite-sex domestic partners.

The State of Arizona intended that this law apply equally to same-sex domestic partners. However, a United States Federal District Court, in *Diaz v. Brewer, et al.* (2:09-cv-02402 JWS), imposed a preliminary injunction preventing the State of Arizona from implementing A.R.S. § 38-651(O) as applied to qualified same-sex domestic partners. The case is still in litigation and the State intends to defend its right to fully implement the statute and discontinue offering benefits to all domestic partners.

### COBRA and Medicare Entitlement

If Medicare entitlement is BEFORE COBRA begins, there is no effect on the employee; the employee can be on COBRA for 18 months.  
-Spouse or dependents are eligible for 36 months.

If Medicare entitlement is AFTER COBRA begins, COBRA may terminate for the employee, depending on the individual plan description.  
-Spouse or dependents treated as 2nd QLE for 36 months, or may have no effect, depending on the individual plan description.

### Important Disclosure and Disclaimer to Qualified Same-Sex Domestic partners:

As a result of the U.S. District Court preliminary injunction, the State of Arizona is compelled at this time to continue offering benefits to qualified same-sex domestic partners. Qualified same-sex domestic partners are herein **ADVISED and CAUTIONED** that the preliminary injunction possibly could be lifted after open enrollment or during the 2014 Plan Year. If that were to occur, the State of Arizona would no longer be compelled by the U.S. District Court injunction and the State of Arizona reserves the right to immediately discontinue offering benefits to same-sex domestic partners during the 2014 Plan Year and thereafter. This also would include dependent children of the non-employee qualified same-sex domestic partner unless those individual(s) were an actual dependent of the State employee as defined under the State's benefit plan. **Qualified same-sex domestic partners and their dependents should not have an expectation that coverage will continue or an expectation that the benefits have vested for an entire plan year because the preliminary injunction may be lifted in the future.**



# UNDERSTANDING YOUR COBRA COVERAGE

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## How Long COBRA Coverage Lasts

If you lose coverage through the State of Arizona plan because of a termination of employment or a reduction in hours, you and your eligible family members may maintain COBRA coverage for a maximum period of 18 months from the date of the event.

If an employee's covered dependents lose their coverage because:

- of the employee's death or entitlement to Medicare;
- of the employee's legal separation or divorce the employee's child is no longer a dependent under the Plan.

The eligible family members may maintain COBRA coverage for a maximum period of 36 months from the date of the event.

By law, these coverage periods may be reduced for any of the following reasons:

- the State of Arizona no longer provides group health coverage to any of its employees;
- you do not pay the amount due for your COBRA coverage on time;
- you or one of your covered family members become covered under another group health plan that does not contain any exclusion or limitation with respect to any pre-existing condition; or
- you or one of your covered family members become entitled to Medicare.

## Extended COBRA Coverage

In addition, if during or before an 18 month period of COBRA coverage, you or any of your qualified dependents are determined by the Social Security Administration to be disabled, the maximum period of COBRA coverage may be extended for up to 11 months. This extension is available if: The Social Security Administration determines that the individual's disability began no later than 60

days after the employee's employment was terminated or his/her hours were reduced; and you or another member of your family notifies the ADOA Human Resources Division, Benefit Services of the disability determination by the Social Security Administration before the end of the 18 month COBRA coverage period.

## Electing Your COBRA Benefits

Upon termination from State Service, employees and eligible dependents will be notified in writing of their COBRA rights and the deadline for returning their enrollment form(s).

To have the opportunity to continue coverage after a loss of coverage due to a qualified life event, the employee and/or affected family member(s) must inform the ADOA Human Resources Division, Benefit Services in writing no later than 60 days after the event.

If notice is not received by the end of that 60-day period, the affected spouse or dependent will not be entitled to choose COBRA coverage. When notified that one of these events has happened, the ADOA Human Resources Division, Benefit Services will provide the covered dependents with the information and forms needed to elect COBRA coverage. Under the law, the covered dependents have 60 days from the date they would lose coverage because of one of the events described above, to inform the ADOA Human Resources Division, Benefit Services that they want to elect COBRA coverage.

COBRA coverage may be elected for some members of the family but not others (including one or more dependents, even if the employee does not elect it), as long as those for whom it is chosen were covered by the Plan on the date of the event (e.g., termination of employment, death, divorce) that led to the loss of regular coverage.



## UNDERSTANDING YOUR COBRA COVERAGE Continued

A parent may elect or reject COBRA coverage on behalf of dependent children living with him or her.

If one of the dependents elects COBRA coverage for him/herself only, the enrollment form must be signed by that dependent unless the dependent is a minor. When the dependent is a minor, the employee-parent must sign the form.

### **Changing Your COBRA Benefits**

If, while you are enrolled for COBRA coverage, you marry, have a child or have a child placed for adoption, you may enroll that spouse or child for coverage for the balance of the period of your COBRA coverage, provided you do so within 30 days after the marriage, birth or placement. Adding a spouse or child may increase the amount you must pay for COBRA coverage.

### **A Second Qualified Life Event**

If you have a second Qualified Life Event while under COBRA coverage and you were eligible for COBRA coverage as the result of an employee's termination (for other than gross misconduct) or the reduction in hours of an employee, you may be granted an extension of coverage for up to 36 months from the date of termination or reduction in hours.

The extension applies only to qualified beneficiaries, including children of the employee who were born or adopted while the employee was on COBRA coverage. (Qualified beneficiaries include an employee's spouse who was covered by the Plan and an employee's dependent children who were covered by the Plan).

### **If You and Your Spouse are State Employees**

You cannot enroll as a single subscriber and be enrolled as a dependent on your spouse's

policy simultaneously. If you do enroll in this manner, no refunds will be made for the employee contributions.

### **COBRA Coverage for Dependent Children over 26**

If your child is age 26 years old and is no longer eligible to be continued on your coverage, s/he may be eligible for continuation coverage for up to 36 months pursuant to the Consolidated Omnibus Budget Reconciliation Act (COBRA).

The member must notify the ADOA Human Resources Division, Benefit Services when a dependent is no longer eligible or fails to meet the criteria for coverage of a dependent and complete an Enrollment/Change form to cancel the dependent from their benefit plan.

A COBRA enrollment form with coverage information and rates will be mailed to the employee's home address on file by the Human Resources Division, Benefit Services .

### **Your Contributions**

By law, while on COBRA coverage, you must pay the total cost of your COBRA coverage. You are charged the full amount of the cost for similarly-situated employees or families – both the employee's and the employer's portion - plus an additional 2% administrative fee.

### **When to Pay**

You must make the first payment within 45 days of notifying the plan administrator of selection of COBRA coverage. Thereafter, premiums are due on the first day of each month of coverage.

After your first premium payment, you may have a grace period of 30 days from the usual due date to pay the premiums.



## UNDERSTANDING YOUR COBRA COVERAGE Continued

### MAXIMUM PERIOD OF CONTINUATION OF COVERAGE

Qualifying Event	Qualified Beneficiaries	Maximum Period of Continuation Coverage
Termination (for reasons other than gross misconduct) or reduction in hours of employment	Employee Spouse Dependent Child	18 months*
Employee enrollment in Medicare	Spouse Dependent Child	36 months
Divorce or legal separation	Spouse Dependent Child	36 months
Death of employee	Spouse Dependent Child	36 months
Loss of "dependent child" status under the plan	Dependent Child	36 months

*\*If during or before the 18th month period of COBRA coverage a dependent is determined to be disabled by the Social Security Administration, COBRA coverage will be extended for up to an additional 11 month period if deemed disabled within 60 days after COBRA begins.*

If a second qualified life event occurs while under COBRA coverage, qualified beneficiaries may be granted an extension of coverage for up to 36 months.



## SUMMARY OF MONTHLY INSURANCE PREMIUMS — 2014

### Monthly Medical Premiums

Plan	Tier	COBRA Participant Premium
<b>EPO</b> (Aetna, BCBS of AZ/AmeriBen*, Cigna, UnitedHealthcare)	Emp only	\$601.80
	Emp+adult	\$1,277.04
	Emp+child	\$1,202.58
	Family	\$1,658.82
<b>PPO</b> (Aetna, BCBS of AZ/AmeriBen*, UnitedHealthcare)	Emp only	\$913.92
	Emp+adult	\$1,893.12
	Emp+child	\$1,813.56
	Family	\$2,463.30
<b>HSA</b> (Aetna)	Emp only	\$539.58
	Emp+adult	\$1134.24
	Emp+child	\$1079.19
	Family	\$1487.16

### Monthly Dental Premiums

Plan	Tier	COBRA Participant Premium
<b>DHMO</b> (Total Dental Administrators)	Emp only	\$9.17
	Emp+adult	\$18.34
	Emp+child	\$17.86
	Family	\$27.51
<b>PPO</b> (Delta Dental PPO Plus Premier)	Emp only	\$36.66
	Emp+adult	\$77.14
	Emp+child	\$61.69
	Family	\$120.63

### Monthly Vision Premiums

Plan	Tier	COBRA Participant Premium
<b>Insured plan</b> (Avesis)	Emp only	\$4.93
	Emp+1	\$13.79
	Family	\$17.20
<b>Discount card</b> (Avesis)	Emp	\$0.00

*\*Blue Cross Blue Shield of Arizona network administered by AmeriBen. Blue Cross Blue Shield, an independent licensee of the Blue Cross Blue Shield Association, provides network access only and does not provide administrative or claims payment services and does not assume any financial risk or obligation with respect to claims. AmeriBen has assumed all liability for claims payment. No network access is available from Blue Cross Blue Shield Plans outside of Arizona, see page 21.*



# MEDICAL PLAN INFORMATION

## Understanding Your Options

For the plan year beginning January 1, 2014, COBRA participants have the option of three plans, four Networks, and four coverage tiers. The word, “Network”, describes the company contracted with the State to provide access to a group of providers (doctors, hospitals, etc.). Certain providers may belong to one Network but not another. Plans are loosely defined as the structure of your insurance policy: the premium, deductibles, copays, and out-of-Network coverage.

	Aetna	BCBSAZ/ AmeriBen*	Cigna	UnitedHealthcare
EPO	X	X	X	X
PPO	X	X		X
HSA Option	X			

*\*Blue Cross Blue Shield of Arizona Network administered by AmeriBen.*

Finally, choose the tier that meets your needs. A tier describes the number of persons covered by the medical plan.

## How the Plans Work

As noted above there are three medical plans offered to active participants under Benefit Options. They are the Exclusive Provider Organization (EPO), the Preferred Provider Organization (PPO), and the Health Savings Account Option (HSA).

### ***The EPO Plan***

If you choose the EPO plan under Benefit Options you must obtain services from a Network provider. Out-of-Network services are only covered in emergency situations. Under the EPO plan, you will pay the monthly premium and any required copay at the time of service. The EPO plan is available with all four Networks:

Aetna, Blue Cross Blue Shield of Arizona Network administered by AmeriBen, Cigna, and UnitedHealthcare.

### ***The PPO Plan***

If you choose the PPO plan under Benefit Options you can see providers in-Network or out-of-Network, but will have higher costs for out-of-Network services. Additionally, there is an in-Network and out-of-Network deductible that must be met. Under the PPO plan, you will pay the monthly premium and any required copay or coinsurance (percent of the cost) at the time of service. The PPO plan is available with Aetna, Blue Cross Blue Shield of Arizona Network administered by AmeriBen, and UnitedHealthcare.

### ***The High Deductible Health Plan (HSA Option)***

If you choose to enroll in the High Deductible Health Plan (HSA Option), you will be eligible to open a Health Savings Account (HSA), which is a special type of account that allows tax-free contributions, earnings, and healthcare-related withdrawals.

If you choose the HSA Option you can use in-Network and out-of-Network providers. Members pay the copay and/or coinsurance after the deductible is met.

The premiums for the HSA Option are lower, qualified preventive services are covered at 100%, and members pay coinsurance and/or copays. More detailed information on the HSA Option is available on pages 13-16.



## MEDICAL PLAN INFORMATION

### Continued

### Choosing the Best Plan for You and Your Family

To choose the right plan for you:

1. Assess the costs you expect in the coming year including: employee premiums, copays, and coinsurance. Refer to page 8 for per pay period premiums and pages 15 and 16 for plan comparisons to help determine costs.
2. Determine if your doctors are contracted with the Network you are considering. Each medical Network has a website or phone number (listed to the right) to help you determine if your doctor is contracted.
3. Once you have selected which plan best suits your needs and your budget, make your benefit elections online.

### Transition of Care (TOC)

If you are undergoing an active course of treatment with a doctor who is not contracted with one of the Networks, you can apply for transition of care.

If you are approved, you will receive in-Network benefits for your current doctor during a transitional period after January 1, 2014. Transition of care is typically approved if one of the following applies:

1. You have a life threatening disease or condition;
2. You have been receiving care and a continued course of treatment is medically necessary;
3. You are in the third trimester of pregnancy; or
4. You are in the second trimester of pregnancy and your doctor agrees to accept our reimbursement rate and to abide by the Plan's policies,

procedures, and quality assurance requirements.

TOC forms are available on the Benefit Options website [benefitoptions.az.gov](http://benefitoptions.az.gov).

### Effective Dates and ID Cards

Changes made during Open Enrollment 2014 will become effective January 1, 2014. Your personal insurance cards typically arrive 7-14 business days after your benefits become effective. If you do not make changes to your current benefits, you can continue to use your current ID card, a new card will not be sent.

### Contacts

Aetna: 1.866.217.1953  
[aetnastateaz.com](http://aetnastateaz.com)

Blue Cross Blue Shield of Arizona Network administered by AmeriBen: 1.866.955.1551  
[MyAmeriBen.com/arizona2.htm](http://MyAmeriBen.com/arizona2.htm)

Cigna: 1.800.968.7366  
[Cigna.com/stateofaz](http://Cigna.com/stateofaz)

UnitedHealthcare: 1.800.896.1067  
[welcometouhc.com/stateofaz](http://welcometouhc.com/stateofaz)





# MEDICAL PLAN INFORMATION

## Continued

### Understanding the High Deductible Health Plan (HSA Option)

#### *Things You Should Know:*

1. The High Deductible Health Plan (HSA Option) works in conjunction with a Health Savings Account (HSA):
  - Enrolling in the HSA Option automatically enrolls you in a Health Savings Account (HSA) upon completion of the customer identification process (see page 14).
  - HSA is a special type of savings account that allows tax-free contributions, earnings, and healthcare-related withdrawals.
2. The HSA Option offers financial advantages in that:
  - An HSA Option member pays lower employee premiums (paycheck deductions).
  - An HSA Option member receives qualified preventive services for free.
  - An HSA Option member may have lower out-of-pocket costs.
  - An HSA Option member is eligible to open and contribute to a Health Savings Account (HSA).
3. The HSA Option presents financial disadvantages in that:
  - HSA Option members pay copays and/or coinsurance after the deductible is met (qualified preventive services are covered at 100%).
4. The HSA Option might be right for you if:
  - You want to open a tax-advantaged HSA and save for future healthcare costs.
  - You are willing to accept some degree of financial risk.
  - You can afford to pay a high deductible if necessary.

5. The HSA Option may be wrong for you if:
  - You like copays because they are simple and predictable.
  - You are not willing to accept some degree of financial risk.
  - You cannot afford to pay a high deductible.

#### ***Cost for Services/Prescriptions***

The cost for services/prescriptions depends on three things:

Whether the service/prescription is:

- Qualified Preventive
- Non-Preventive
- Emergency

Whether the provider is:

- In-Network
- Out-of-Network

How much you have paid so far during the plan year:

- Less than the deductible
- More than the deductible, but less than the out-of-pocket maximum
- Out-of-pocket maximum

These three areas are shaded in the table on the next page.

At the top of the table you can see that:

- In-Network qualified preventive services are free, even before the deductible is satisfied
- In-Network qualified preventive prescriptions will cost the regular copay amounts (\$10/\$20/\$40) up to the out-of-pocket maximum.
- Once the out-of-pocket maximum is satisfied, in-Network qualified preventive prescriptions are covered at 100% for the remainder of the plan year.



# MEDICAL PLAN INFORMATION

## Continued

### ***Cost for Services/Prescriptions - Continued***

In the middle of the table you can see that:

- In-Network emergency services will not be covered until after the deductible is satisfied.
- Once the deductible is satisfied, in-Network emergency services will be 90% covered. The remaining 10% must be paid by the member.
- Once the out-of-pocket maximum is satisfied, in-Network emergency services will be 100% covered (no member cost).

Before enrolling in the HSA Option, make sure you fully understand the table below.

### ***Qualified Preventive care***

Preventive care is defined as:

- Periodic health evaluations, including tests and diagnostic procedures ordered in connection with routine examinations (i.e., annual physicals)
- Routine prenatal and well-child care
- Child and adult immunizations
- Tobacco cessation programs
- Certain screening services
- Prescriptions that are preventive in nature.

Individual/emp+adult/emp+child/family total out-of-pocket cost at time of expense →			Less than deductible	More than deductible, less than out-of-pocket maximum	Out-of-pocket maximum
IN-NETWORK	Qualified Preventive	Services	\$0	\$0	\$0
		Prescriptions	\$10/\$20/\$40 copays	\$10/\$20/\$40 copays	
	Non-Preventive	Services	100% of contracted rate	10% of contracted rate	
		Prescriptions	100% of contracted rate	\$10/\$20/\$40 copays	
	Emergency	Services	100% of contracted rate	10% of contracted rate	
		Prescriptions	100% of contracted rate	\$10/\$20/\$40 copays	
OUT-OF-NETWORK	Qualified Preventive	Services	50% of total cost	50% of total cost	
	Non-Preventive	Services	100% of total cost	50% of total cost	\$0
		Prescriptions	100% of total cost	50% of total cost	
	Emergency	Services	100% of total cost	10% of total cost	



# MEDICAL PLAN INFORMATION

## Continued

### Understanding Health Savings Accounts (HSAs)

The HSA is only offered if you enroll in the High Deductible Health Plan Option (HSA Option).

#### *HSA Overview*

1. You open your HSA.
  - The State cannot restrict what you spend it on.
  - You maintain ownership even after ending State employment.
  - You can invest the money like you would invest money in an IRA.
  - Your funds will earn interest.
2. You can make additional contributions to your HSA through:
  - Payroll deductions (pre-tax);
  - Lump-sum deposits (tax deductible).
3. The Internal Revenue Service sets annual contribution limits. Visit [www.irs.gov](http://www.irs.gov) for additional information.
4. You can spend HSA funds tax-free on qualified healthcare-related expenditures (defined by the Internal Revenue Service)
  - You can use a debit card.
  - Link personal bank account to HSA.
  - Non-qualified withdrawals are allowed, however, effective January 1, 2014 they are subject to tax and a 20% penalty.
5. HSAs should not be confused with FSAs:
  - FSA stands for Flexible Spending Account. It is a special type of savings account that allows tax-free contributions and healthcare-related withdrawals.
  - FSAs have “use-it-or-lose-it” rules. Unused funds do not rollover from year to year.

6. HSAs have no “use-it-or-lose-it” rules. Unused funds will rollover from year to year. This allows you to create a healthcare nest egg.
7. If the member does not require services (other than the free qualified preventive services), the money stays in the HSA and grows tax free. It can be used to pay for qualified healthcare costs anytime in the future.

### About the HSA

The HSA offers the following features:

- No set-up fees
- No monthly administration fee
- No withdrawal forms
- HSA tracking through Aetna Navigator
- Cost Estimator Tool—Cost of Care

There are some fees associated with the HSA, visit [benefitoptions.az.gov](http://benefitoptions.az.gov), click on:

- Plan Descriptions,
- Medical Insurance Coverage,
- Under HSA Plan link click where it indicates for more information.

### How To Open Your HSA

Your HSA will automatically be established in your name when you enroll in the High Deductible Health Plan Option and pass the Customer Identification Process (see below for additional information). You will receive a welcome kit by mail 3-4 weeks after the account is opened. The State will start contributing to your account on the first pay cycle following the plan year effective date. State contributions will only be made if you receive a paycheck.



## MEDICAL PLAN INFORMATION

### Continued

#### Using Your HSA

- Use the PayFlex Mastercard to pay for qualified out-of-pocket expenses.
- Invest your HSA funds in a variety of investment options once the funds reach \$1,000.
- You can contribute to the HSA as long as you are enrolled in a qualified health plan (such as the HSA Option). You may use the HSA funds anytime.

#### Customer Identification Process

Aetna is required to confirm some of your personal information prior to establishing your HSA. This includes your correct name, address, date of birth, and Social Security Number. Doing so is required by Section 326 of the USA Patriot Act. It is a process known as the "Customer Identification Process."

Here are some common reasons that may cause a delay:

- Addresses that do not match
- P.O. Boxes are not permitted
- Not legally changing your name after a marriage or divorce
- Use of a nickname
- Inconsistent use of your middle initial
- Americanized version of your name
- Different spelling of your name

Please provide any information Aetna requests for the purpose of establishing your HSA.

#### New Annual Limits

**Individual:** \$3,300

**Family:** \$6,550





# MEDICAL PLANS COMPARISON CHARTS (EPO/PPO)

		EPO	PPO	PPO
Available Plans		<input checked="" type="checkbox"/> Aetna <input checked="" type="checkbox"/> BCBSAZ/AmeriBen* <input checked="" type="checkbox"/> Cigna <input checked="" type="checkbox"/> UnitedHealthcare	<input checked="" type="checkbox"/> Aetna <input checked="" type="checkbox"/> BCBSAZ/AmeriBen* <input checked="" type="checkbox"/> UnitedHealthcare	<input checked="" type="checkbox"/> Aetna <input checked="" type="checkbox"/> BCBSAZ/AmeriBen* <input checked="" type="checkbox"/> UnitedHealthcare
		IN-NETWORK	IN-NETWORK	OUT-OF-NETWORK
Plan year deductible	Single employee	none	\$500**	\$1,000**
	Emp+adult, emp+child, family	none	\$1,000**	\$2,000**
Out-of-pocket max	Single employee	none	\$1,000** <sup>+</sup>	\$4,000**
	Emp+adult, emp+child, family	none	\$2,000** <sup>+</sup>	\$8,000**
Lifetime max		none	none	No maximum
EMPLOYEE COST FOR CARE				
Behavioral health	Inpatient	\$150	\$150	50% after deductible
	Outpatient	\$15	\$15	50% after deductible
Chiropractic		\$15	\$15	50% after deductible
Durable medical equipment		\$0	\$0	50% after deductible
Emergency	Ambulance	\$0	\$0	Amount above in-Network rate
	ER copay waived if admitted	\$125	\$125	\$125
	Urgent care	\$40	\$40	50% after deductible
Home health services Maximum visits per year		42	42	
Hospital admission (Room and Board)		\$150	\$150	50% after deductible
Mammography		\$0	\$0	50% after deductible
Office visits	PCP	\$15	\$15	50% after deductible
	***Specialist	\$30	\$30	50% after deductible
	Preventive	\$15	\$15	50% after deductible
	OB/GYN	\$10	\$10	50% after deductible
Outpatient services Freestanding ambulatory facility or hospital outpatient surgical center		\$50	\$50	50% after deductible
Radiology		\$0	\$0	50% after deductible

\*Blue Cross Blue Shield of Arizona Network administered by AmeriBen.

\*\* Copayments apply after the plan deductible is met. Copayments and Deductible apply to the out-of-pocket maximum. The Plan pays 100% after out-of-pocket maximum is met.

\*\*\*All Mayo Clinic Primary Care Physician (PCP) are contracted with Cigna HealthCare as specialists, therefore all primary care services administered by Mayo PCPs will be subject to the \$30 specialist copayment.

<sup>+</sup> PPO in-Network deductible must be met before copay applies.

For the NAU only BCBS PPO plan details, go to <http://hr.nau.edu> and choose Benefits, Health Insurances, Medical, BCBS Plan Book.



# MEDICAL PLANS COMPARISON CHART (HSA Option)

		High Deductible Health Plan	High Deductible Health Plan
Available Plans		<input checked="" type="checkbox"/> Aetna	<input checked="" type="checkbox"/> Aetna
		IN-NETWORK	OUT-OF-NETWORK
Plan year deductible	Single employee	\$1,250*	\$2,500*
	Emp+adult, emp+child, family	\$2,500*	\$4,800*
Out-of-pocket max	Single employee	\$2,000*	\$5,000*
	Emp+adult, emp+child, family	\$4,000*	\$10,000*
Lifetime max		No maximum	No maximum
EMPLOYEE COST FOR CARE			
Behavioral health	Inpatient	10% coinsurance after deductible	50% coinsurance after deductible
	Outpatient	10% coinsurance after deductible	50% coinsurance after deductible
Chiropractic		10% coinsurance after deductible	50% coinsurance after deductible
Durable medical equipment		10% coinsurance after deductible	50% coinsurance after deductible
Emergency	Ambulance	10% coinsurance after deductible	10% coinsurance after deductible
	ER copay waived if admitted	ER	10% coinsurance after deductible
	Urgent care	10% coinsurance after deductible	50% coinsurance after deductible
Home health services Maximum visits per year		42	
Hospital admission (Room and Board)		10% coinsurance after deductible	50% coinsurance after deductible
Mammography		Preventive at no cost Non-Preventive 10% coinsurance after deductible	50% coinsurance after deductible
Office visits	PCP	Preventive at no cost Non Preventive 10% coinsurance after deductible	50% coinsurance after deductible
	Max of 1 copay/day/provider	Specialist	Preventive at no cost Non- Preventive 10% after deductible
		Preventive	Preventive at no cost
		OB/GYN	Preventive at no cost Non- Preventive 10% after deductible
Outpatient services Freestanding ambulatory facility or hospital outpatient surgical center		10% after deductible	50% coinsurance after deductible
Radiology		10% after deductible	50% coinsurance after deductible

\*Copays and Deductible apply to out-of-pocket maximum. The plan pays 100% after out-of-pocket maximum is met.



# MEDICAL ONLINE FEATURES

You can review your personal profiles, view the status of medical claims, obtain general medical information, and learn how to manage your own healthcare through the available health plan websites.

## **Aetna**

**Non-member:** [aetnastateaz.com](http://aetnastateaz.com)

**Existing member:** [aetna.com](http://aetna.com)

During Open Enrollment visit:

### ***DocFind***

To find out if your physician or hospital is contracted with Aetna use this online directory.

Aetna members can create a user name and password and have access to:

### ***Aetna Navigator—Review Your Plan and Benefits Information***

You can verify your benefits and eligibility. You will also have access to a detailed claims status and claim Explanation of Benefits (EOB) statements.

### ***ID Card***

Print a temporary or order a replacement ID card.

### ***Contact and E-mail***

Access contact information for Aetna Member Services as well as Aetna's 24/7/365 NurseLine. Chat live with member service representatives for quick, easy and secure assistance by using Live Help feature with in your Aetna Navigator home page.

### ***Estimate the Cost of Care***

You can estimate the average cost of healthcare services in your area including medical procedures and medical tests.

### ***Health Information—Simple Steps to Healthier Life***

This website will give access to wellness information.

## ***Smart Source***

Access information and resources on a variety of health and wellness topics. Learn more about programs and services available through Aetna to assist in managing your health.

## ***Personal Health Record***

Access and print historical claims information that may be useful to you and your healthcare professional.

## ***Aetna Mobile***

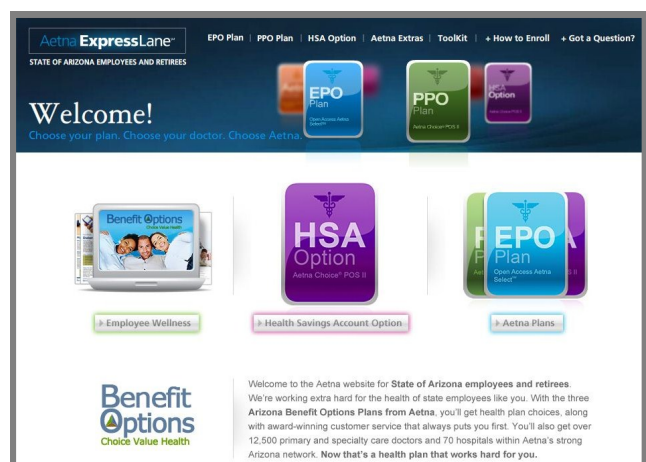
Simply type [aetna.com](http://aetna.com) in your smart phone to access doctors, Aetna Navigator, and much more. There is even an I-Phone application available for downloading.

## ***HSA Savings Calculator Tool***

Use the HSA Savings Calculation Tool to help you discover the savings opportunity and tax advantages associated with a Health Savings Account (HSA).

## ***HSA Video***

The HSA Online Videos teach enrolled HSA account holders and those considering enrolling in an HSA plan, the basics of managing the HSA. It also helps employees and members understand how to make the right healthcare choices and how to manage the savings account in a simple, conversational style.







## MEDICAL ONLINE FEATURES

### Continued

#### **Blue Cross Blue Shield of Arizona Network Administered by AmeriBen**

**Non-member:** [www.myameriben.com/arizona2.htm](http://www.myameriben.com/arizona2.htm)

**Existing member:** [MyAmeriBen.com](http://MyAmeriBen.com)

Blue Cross® Blue Shield® of Arizona (an independent licensee of the Blue Cross and Blue Shield Association) provides network access only and provides no administrative or claims payment services and does not assume any financial risk or obligation with respect to claims. No network access is available from Blue Cross and Blue Shield plans outside of Arizona.

#### ***Lookup Provider***

To find out if your doctor, hospital, retail clinic, or urgent care provider is contracted with Blue Cross Blue Shield of Arizona Network administered by AmeriBen use this tool.

Blue Cross Blue Shield of Arizona Network administered by AmeriBen members can create a user ID and password to have access to:

#### ***HealthGrades***

Perform research on over 5,000 hospitals nationwide. Access easy to understand ratings for recoveries, complications, and survival rates. You will also find award winning facilities, and ratings on medical procedures and diagnoses.

#### ***Hospital Compare***

In this tool you will find information on how well hospitals care for patients with certain medical conditions or surgical procedures, and results from a survey of patients about the quality of care they received during a recent hospital stay.

#### ***Claims Inquiry***

View and read the detailed status of all medical claims submitted for payment. You can also obtain your Explanation of Benefits (EOB).

#### ***Optional Electronic Paperless EOB***

Reduce mail, eliminate filing and help the planet by going green.

#### ***Coverage Inquiry***

Verify eligibility for you and your dependents.

#### ***Wellness Tools***

You can have access to wellness information.

#### ***Online Forms***

You can submit and complete important health forms online, including filing an appeal.

#### ***Help***

You can instant message AmeriBen with questions about your benefits, claims or general information about your health plan.

**AmeriBen**

**MyAmeriBen**

Welcome to MyAmeriBen. This site is designed to provide quick and easy access to claim and eligibility information for AmeriBen benefit participants.

**Need Help?**  
You can reach us at 1-800-786-7930. Our friendly Customer Service Representatives are available from 7:00am - 6:00pm MT Monday - Friday to assist you.  
You can also e-mail us at [webinquiries@ameriben.com](mailto:webinquiries@ameriben.com)

**For members:**  
[I need to sign up](#)  
[I forgot my username or password](#)

**Providers:**  
[Click Here](#) to access the Provider Site

username:   
password:

Login Forgot New User Sign-up Public Help



# MEDICAL ONLINE FEATURES

## Continued

### Cigna

**Non-member:** [Cigna.com/stateofaz](http://Cigna.com/stateofaz)

**Existing member:** [myCigna.com](http://myCigna.com)

For employees not enrolled on the Cigna plan, visit [Cigna.com/stateofaz](http://Cigna.com/stateofaz) for a provider listing, program and resource information.



For employees already enrolled on the Cigna plan, please visit [myCigna.com](http://myCigna.com), and have access to:

### **Personal Profile**

You can verify your coverage, copays, deductibles, and view the status of claims.

### **ID Card**

Order a new ID card or print a temporary one.

### **Evaluate Costs**

You can find estimated costs for common medical conditions and services.

### **Rank Hospitals**

Learn how hospitals rank by cost, number of procedures performed, average length of stay, and more.

### **Assess Treatments**

You can get facts to make informed decisions

about condition-specific procedures and treatments.

### **Conduct Research**

With an interactive library, you can gather information on health conditions, first aid, medical exams, wellness, and more.

### **Health Coaching**

Take a quick health assessment, get personalized recommendations and connect to immediate online coaching resources.

### **Monitor Health Records**

Keep track of medical conditions, allergies, surgeries, immunizations, and emergency contacts.



You can download a free, personalized smartphone app. From there, you can do almost anything on the go – from getting your ID cards, account balances, locating doctors and hospitals, and so much more. Get the myCigna Mobile app today!

Note: All Mayo Clinic Primary Care Physician (PCP) are contracted with Cigna HealthCare as specialists, therefore all primary care services administered by Mayo PCPs will be subject to the \$30 specialist copayment.



## MEDICAL ONLINE FEATURES

### Continued

#### UnitedHealthcare

**Non-member:** [welcometouhc.com/stateofaz](http://welcometouhc.com/stateofaz)

**Existing member:** [myuhc.com](http://myuhc.com)<sup>®</sup>

**Visit your support site:** [welcometouhc.com/stateofaz](http://welcometouhc.com/stateofaz)

From this site you can access benefit information, learn about available tools, resources and programs, view open enrollment materials and more.

- View and compare benefit plan options
- Learn more about wellness programs, specialized benefits and online tools
- Search for physicians and facilities
- And, access our site for members, [myuhc.com](http://myuhc.com)

#### **Your health, your questions, your myuhc.com**

Once you become a member, your first stop is your member website, [myuhc.com](http://myuhc.com). It's loaded with details on your benefit plan and much more.



#### **Need a new doctor or a specialist?**

Click “Find a doctor” to search for doctors near you. You can even see which physicians have been recognized by the UnitedHealth Premium program<sup>®</sup> for having met national quality standards and local benchmarks for cost-efficiency.

#### **Want to get rid of that nagging pain, but worried about the cost?**

The health care cost estimator tool may help you get the best care for the best cost. Click on “Estimate Health Care Costs” to get started. It will guide you through the steps to get your estimate and provide you information about the procedure, risks, and benefits along the way.

#### **Looking for an easier way to manage claims?**

Click on “Manage My Claims” to easily search for claims, track claims you need to watch, mark claims you’ve already paid, and use easy-to-read graphs to better understand your bills and what you owe.

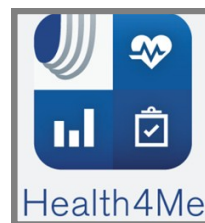
#### **Want a place to keep your personal health information?**

The “Health & Wellness” tab is your own personal website that is designed to:

- Inspire healthy action with a step-by-step program
- Encourage you to remain motivated through online health programs, and innovative tools and calculators that track your progress
- Reinforce your commitment by acknowledging your accomplishments

#### **Always on the go? We can help you there too.**

Whether you need to find urgent care, you forget your health plan ID card, or need to call customer service, the UnitedHealthcare Health4Me<sup>™</sup> mobile app helps put your insurance information in the palm of your hand.





## NETWORK OPTIONS OUTSIDE OF ARIZONA

The charts below indicate the coverage options and Networks for members who live out-of-state. All four medical Networks offer statewide and nationwide coverage and are not restricted to regional areas. All plans are available in all domestic locations. However, not all plans have equal provider availability, so it is important to check with your current provider to determine if he/she is contracted with your selected health plan Network.

EPO PLAN	LOCATION	NETWORK
Aetna	Nationwide	Aetna Select Open Access
BCBSAZ/ AmeriBen* <sup>+</sup>	BCBSAZ Network for In-State Services	PHCS / MultiPlan for Nationwide Services
Cigna	Nationwide	Cigna Open Access Plus
UHC	Nationwide	UHC Choice

PPO PLAN	LOCATION	NETWORK
Aetna	Nationwide	Aetna Choice POS II Open Access
BCBSAZ/ AmeriBen* <sup>+</sup>	BCBSAZ Network for In-State Services	PHCS / MultiPlan for Nationwide Services
UHC	Nationwide	UHC Options PPO

HSA PLAN	LOCATION	NETWORK
Aetna	Nationwide	Aetna Choice POS II Open Access

*\*Blue Cross Blue Shield of Arizona Network administered by AmeriBen.*

*<sup>+</sup> The Blue Cross Blue Shield of Arizona Network administered by AmeriBen is only available in Arizona. AmeriBen has made the PHCS / MultiPlan Network available to those members living out of state.*



# PHARMACY PLAN INFORMATION

## MedImpact

If you elect any Benefit Options medical plan, MedImpact will be the Network you use for pharmacy benefits. Enrollment is automatic when you enroll in the medical plan.

MedImpact currently services 35 million members nationwide, providing leading prescription drug clinical services, benefit design, and claims processing since 1989 through a comprehensive Network of pharmacies.

## How it Works

All prescriptions must be filled at a Network pharmacy by presenting your medical card. You can also fill your prescription through the mail order service. **The cost of prescriptions filled out-of-Network will not be reimbursed.**

No international pharmacy services are covered. Be sure to order your prescriptions prior to your trip and take your prescriptions with you.

The MedImpact plan has a three-tier formulary described in the chart on page 24. The copays listed in the chart are for a 30-day supply of medication bought at a retail pharmacy.

## Formulary

The formulary is the list of medications chosen by a committee of doctors and pharmacists to help you maximize the value of your prescription benefit. These generic and brand name medications are available at a lower cost. The use of non-preferred medications will result in a higher copay. Changes to the formulary can occur during the plan year. Medications that no longer offer the best therapeutic value for the plan are deleted from the formulary. Ask your pharmacist to verify the current copay amount at the time your prescription is filled.

To see what medications are on the formulary, go to [benefitoptions.az.gov](http://benefitoptions.az.gov) or contact the MedImpact Customer Care Center and ask to have a copy sent to you. Sharing this information with your doctor helps ensure you are getting the best value, which saves money for you and your plan.

## Finding a Pharmacy

To find a pharmacy refer to [benefitoptions.az.gov](http://benefitoptions.az.gov). See online features for more information.

The Customer Care Center is available 24 hours a day, 7 days a week. The toll-free telephone number is 1.888.648.6769.

## Pharmacy Mail Order Service

A convenient and less expensive mail order service is available for COBRA participants who require medications for on-going health conditions or who will be in an area with no participating retail pharmacies for an extended period of time.

Here are a few guidelines for using the mail order service:

- Submit a 90-day written prescription from your physician.
- Request up to a 90-day supply of medication for **two copays** (offer available to HSA Option members only when copays apply).
- Payments can be made by check or credit card: Visa, MasterCard, American Express, or Discover.
- Register your e-mail address to receive information on your orders.
- Order refills online at [walgreens.com](http://walgreens.com) or via phone at 1.866.304.2846. Have your insurance card ready when you call!





## PHARMACY PLAN INFORMATION

### Continued

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#### Choice90

With this program, COBRA participants who require medications for an on-going health condition can obtain a 90-day supply of medication at a local retail pharmacy for **two and a half copays**. For more information, contact MedImpact Customer Care Center at 1.888.648.6769.

#### Medication Prior Authorization

Prescriptions for certain medications may require clinical approval before they can be filled, even with a valid prescription. These prescriptions may be limited to quantity, frequency, dosage or may have age restrictions. The authorization process may be initiated by you, your local pharmacy, or your physician by calling MedImpact at 1.888.648.6769.

#### Step Therapy Program

Step Therapy is a program which promotes the use of safe, cost-effective and clinically appropriate medications. This program requires that members try a generic alternative medication that is safe and equally effective before a brand name medication is covered. For a complete list of drugs under this program, please refer to the formulary at [benefitoptions.az.gov](http://benefitoptions.az.gov).

#### Specialty Pharmacy Program

Certain medications used for treating chronic or complex health conditions are handled through the Walgreens Specialty Pharmacy Program. This program assists you with monitoring your medication needs and also provides patient education.

The Walgreens Specialty Pharmacy Program includes monitoring of specific injection drugs and other therapies requiring complex administration methods and special storage, handling, and delivery.

Specialty medications are limited to a 30-day supply and may be obtained only at a Walgreens retail pharmacy or through the Walgreens Specialty Central Fill facility by calling 1.888.782.8443.

A Specialty Care Representative may contact you to facilitate your enrollment in the Specialty Pharmacy Program. You may also enroll directly into the program by calling 1.888.782.8443.

#### Limited Prescription Drug Coverage

Prescription drug coverage will generally be limited to medications that do not have an equally effective over-the-counter substitute.

#### Non-Covered Drugs

Certain medications are not covered as part of the Benefit Options plan. If you find such a drug has been prescribed for you, discuss an alternative treatment with your doctor.

#### Extended Vacation or Working Abroad

Whether you go to a retail pharmacy or use mail order for your prescriptions, you will need to notify MedImpact in writing of why you are requesting an additional supply of medication, the date when you are leaving, and how long you plan to be gone. MedImpact will be able to authorize a VACATION OVERRIDE allowing you to have the extra medication you will need *providing you have the appropriate number of refills remaining*.

Order refills at least two weeks in advance of your departure. If there is a problem, such as, *not enough refills*, you will have enough time to phone your physician. If you're using Mail Order, contact MedImpact at least three weeks in advance.



## PHARMACY PLAN INFORMATION

### Continued

If you are already out of town and need a prescription call MedImpact. Tell the representative you are out of town and need to find a participating pharmacy in the area where you are. You will need the zip code where you are visiting. In most cases you will have several choices.

If your medication is lost, stolen, or damaged, replacement medication is not covered.

#### Contacts

##### *MedImpact*

Customer Care Center  
and Prior Authorization 1.888.648.6769

##### *Walgreens*

Mail Order 1.866.304.2846  
Specialty Pharmacy 1.888.782.8443

	ADOA Benefit Options (Aetna, Blue Cross Blue Shield of Arizona Network administered by AmeriBen, Cigna, UnitedHealthcare)
Pharmacy Benefits Administered By	MedImpact
Retail Requirements	In-Network pharmacies only: one copay per prescription
Mail Order*	Two copays for 90-day supply
Choice90	Two & 1/2 copays for 90-day supply
Generic	\$10 copay
Preferred Brand**	\$20 copay
Non-Preferred Brand**	\$40 copay
Annual Maximum	None

*\*Offer available to HSA Option members only when copays apply.*

*\*\*Member may have to pay more if a brand is chosen over a generic.*

*Note: Copays for compounded medications are based on the formulary placement of the main compound ingredient.*





# PHARMACY ONLINE FEATURES

Members can view pharmacy information located at [benefitoptions.az.gov](http://benefitoptions.az.gov). Click pharmacy. Click on the pharmacy link and then click "MedImpact Pharmacy Website".

Members can create a user name and password to have access to:

## ***Benefit Highlights***

View your current copay amounts and other pharmacy benefit considerations.

## ***Formulary Lookup***

Research medications to learn whether they are generic, preferred or nonpreferred drugs. This classification will determine what copay is required. You can search by drug name or general therapeutic category.

## ***Prescription History***

View your prescription history, including all of the medications received by each member, under PersonalHealth Rx. Your prescription history can be printed for annual tax purposes.

## ***Drug Search***

Research information on prescribed drugs like how to use the drug, side effects, precautions, drug interactions, and what to do if there is an overdose.

## ***Health & Wellness***

Learn valuable tips and information on diseases and health conditions.

## ***Mail Order***

A link will direct you to the Walgreens website where you may register for mail order service by downloading the registration form and following the step-by-step instructions.

## ***Locate a Nearby Pharmacy***

Locate a pharmacy near your home address, out-of-town vacation address, or your dependent's address.

## ***Generic Resource Center***

Learn more about generic drugs and savings opportunities.

## ***Choice90***

Learn more about the Choice90 option. With this program, you can obtain a 90-day supply of medication for a reduced copay.

The screenshot displays the 'Benefit Options' website's pharmacy section. The top navigation bar includes the 'Benefit Options' logo and the text 'Arizona Department of Administration Human Resources Division - Benefit Services'. The main content area is titled 'Pharmacy' and features a list of links and services: 'MedImpact Pharmacy Website', 'Drug Search', 'Benefit Highlights', 'Formulary Lookup', 'Pharmacy Locator', 'Health & Wellness', 'General Pharmacy Locator', 'MedImpact Formulary List (pdf)', 'MedImpact Specialty Drug List (pdf)', 'Tobacco Cessation Program Flyer (pdf)', 'Mail Order Registration Form', 'Mail Order Frequently Asked Questions', and 'Pharmacy Reimbursement Form'. A sidebar on the right contains 'Announcements' and 'Announcements Archive'.



# DENTAL PLAN INFORMATION

## Dental Plan Options

Employees may choose between two plan types. They are the Prepaid/DHMO and the Indemnity/Preferred Provider Organization (PPO) plans. Each plan's notable features are bulleted below.

### DHMO/Prepaid Plan – Total Dental Administrators Health Plan, Inc. (TDAHP)

- You **MUST** use a DHMO/Prepaid Participating Dental Provider (PDP) to provide and coordinate all of your dental care.
- No annual deductible or maximums.
- No waiting periods.
- Pre-existing conditions are covered.
- Specific copays for services.
- Specific lab fees for prosthodontic materials.

Each family member may choose a different general dentist. You can select or change your dentist by contacting TDAHP by telephone or using the "change my dentist" function on the website [TDAdental.com/adoa](http://TDAdental.com/adoa). Members may self-refer to dental specialists within the Network. Specialty care copays are listed in the plan booklet. Specialty services not listed are provided at a discounted rate. This discount includes services at a Pedodontist, Prosthodontist, and TMJ care.

### Indemnity/PPO Plan – Delta Dental PPO plus Premier

As a State of Arizona eligible member you can enroll for the Delta Dental of Arizona – **PPO plus Premier Plan** with covered preventive services.

- Your preventive and diagnostic services are covered at 100% and are not subtracted from your annual maximum.
- Your annual maximum benefit is \$2,000 per benefit year.

- No deductible for diagnostic and routine services.
- \$50 deductible per person and no more than \$150 per family.
- The maximum lifetime benefit for orthodontia is \$1,500.
- A third dental cleaning per benefit year is available for eligible members.
- A no missing tooth clause is included.
- You can elect to see a licensed dentist anywhere in the world.
- Delta Dental has the largest network in Arizona with 3,100+ participating dentists.
- You can maximize your benefits when you select a PPO Provider.
- Delta Dental dentists have agreed to accept a negotiated fee (after deductibles and copays are met) and can't balance bill you in excess of the allowed fee.
- Claims are filed by the network dentist and they are paid directly, making it easier for you.

To find a Delta Dental dentist near you, please visit [deltadentalaz.com/find](http://deltadentalaz.com/find).

## How to Choose the Best Dental Plan for You

When choosing between a prepaid/DHMO plan and an indemnity/PPO plan, you should consider the following: dental history, level of dental care required, costs/budget and provider in the Network. If you have a dentist, make sure he/she participates on the plan (prepaid/DHMO plan - TDAHP or indemnity/PPO - Delta Dental PPO plus Premier) you are considering.

For a complete listing of covered services for each plan, please refer to the plan description located on the website: [benefitoptions.az.gov](http://benefitoptions.az.gov).

New enrollees should receive a card within 10-14 business days after the benefits become effective.



# DENTAL PLANS COMPARISON CHART

	TDAHP Total Dental Administrators	Delta Dental
PLAN TYPE	Prepaid/DHMO	Indemnity/PPO
DEDUCTIBLES	None	\$50/\$150
PREVENTIVE CARE CLASS I		
Oral Exam	\$0	\$0 - Deductible Waived*
Prophylaxis/Cleaning	\$0	\$0 - Deductible Waived*
Fluoride Treatment	\$0 (to age 15)**	\$0 - Deductible Waived* (to age 18)
X-Rays	\$0	\$0 - Deductible Waived*
BASIC CLASS II SERVICES		
Office Visit	\$0	0*
Sealants	\$10 per tooth (to age 17)	20% (to age 19)
Fillings	Amalgam: \$10-\$37	20%
	Resin: \$26-\$76	
Extractions	Simple: \$30 Surgical \$60	20%
Periodontal Gingivectomy	\$225	20%
Oral Surgery	\$30 - \$145	20%
BASIC CLASS III SERVICES		
Office Visit	\$0	0*
Crowns	\$270 + \$185 Lab Fee (\$455)	50%
Dentures	\$300 + \$275 Lab Fee (\$575)	50%
Fixed Bridgework	\$270 + \$185 Lab Fee (\$455) per unit	50%
Crown/Bridge Repair	\$75	50%
ORTHODONTIA		
Child	\$2800 - \$3400	See lifetime
Adult	\$3200 - \$3700	
TMJ SERVICES		
Exam, services, etc.	20% Discount	100%
MAXIMUM BENEFITS		
Annual Combined Basic and Major Services	No Dollar Limit	\$2000 per person
Orthodontia Lifetime	No Dollar Limit	\$1500 per person

\*Routine visits and exams are covered two times per plan year at 100%.

\*\*Fluoride treatment covered 100% once per plan year up to age 15. Additional treatment subject to applicable copayments.  
This is a summary only; please see plan descriptions for detailed provisions.



## DENTAL ONLINE FEATURES

### Total Dental Administrators Health Plan (TDAHP), Inc.

If you are enrolling with TDAHP go to [TDAdental.com/adoa](http://TDAdental.com/adoa) to access the online features described below:

#### Participating Providers

You can search for a specific dentist contracted under this plan (DHMO/Prepaid) by visiting [TDAdental.com/adoa](http://TDAdental.com/adoa).

#### Select or Change Participating Provider

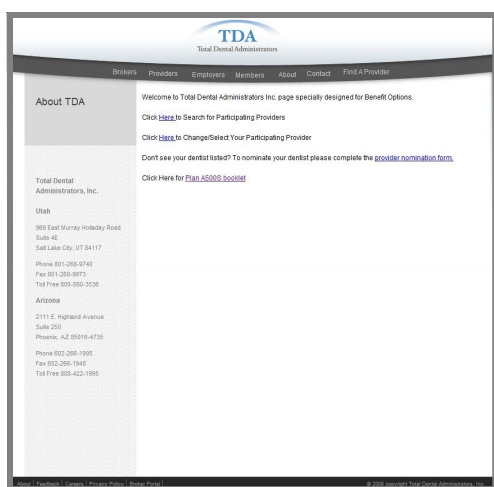
You can select or change your specific participating provider.

#### Nominate a Dentist

If you have a preferred dentist that is not a participating provider, you can nominate your dentist to be included in the plan.

#### Plan A500AZ

Learn about the plan by clicking on this option.



### Delta Dental PPO plus Premier

Your Delta Dental plan comes with a range of online features designed to make using and managing your benefits easy and convenient. After the benefit year begins on January 1, please visit [deltadentalaz.com](http://deltadentalaz.com) to create your ID and password in the **Member Connection**, a secure online environment that gives you access to the following tools and materials:

- State of Arizona **PPO plus Premier Plan** information.
- View and/or print your **benefits and eligibility**.
- Sign up for **electronic Explanation of Benefits (EOBs)**.
- **24/7 claims information**: Check your claims by dates, print copies of EOBs for you or your dependents, or download a claim form.
- View **instructional videos** designed to increase your knowledge of your benefits.
- **Find a Dentist** tool allows you to search the national directory by zip code.
- **Nominate your dentist** to be a contracted dentist if they aren't.
- Preventive dental health and wellness information and tips: Ask the Expert, Assess your risk for **Dental Disease Tool**, definitions of commonly used dental terms and the importance of your oral health to chronic diseases like diabetes and heart disease.





## VISION PLAN INFORMATION

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Coverage for vision is available through Avesis. Benefit Options is offering two vision care programs: Avesis Advantage Program and Avesis Discount Program.

### **Avesis Advantage Program**

Employees are responsible for the full premium of this voluntary plan.

#### ***Program Highlights***

- Yearly coverage for a vision exam, glasses or contact lenses
- Extensive provider access throughout the state
- \$300 allowance for LASIK surgery. For more information or to find a LASIK provider, visit [www.Qualsight.com/-Avesis](http://www.Qualsight.com/-Avesis) or call 1-877-712-2010
- Unlimited discounts on additional optical purchases.

#### ***How to Use the Advantage Program***

1. Find a provider – You can find a provider using the Avesis website [avesis.com](http://avesis.com) or by calling customer service at 1.888.759.9772. Although you can receive out-of-Network care as well, visiting an in-Network provider will allow you to maximize your vision care benefit.
2. Schedule an appointment – Identify yourself as an Avesis member employed by the State of Arizona when scheduling your appointment.

#### ***Out-of-Network Benefits***

If services are received from a non-participating provider, you will pay the provider in full at the time of service and submit a claim to Avesis for reimbursement. The claim form and itemized receipt should be sent to Avesis within three months of the date of service to be eligible for reimbursement. The Avesis claim form can be obtained at the website [avesis.com](http://avesis.com).

Reimbursement will be made directly to the member.

### **Avesis Discount Program**

If you do not enroll in the fully-insured plan, you will automatically receive an Avesis discount card at no cost. This program will provide each member with substantial discounts on vision exams and corrective materials. **No enrollment is necessary.**

#### ***How to Use the Discount Program***

1. Find a provider – Go to [avesis.com](http://avesis.com) or call customer service at 1.888.759.9772.
2. Schedule an appointment – Identify yourself as an Avesis discount card holder employed by the State of Arizona.

#### ***In-Network Benefits Only***

Avesis providers who participate in the Avesis Discount Vision Care Program have agreed to negotiated fees for products and services. This allows members to receive substantial discounts on the services and materials they need to maintain healthy eyesight.

Providers not participating in the program will not honor any of the discounted fees. The member will be responsible for full retail payment.

For a complete listing of covered services please refer to the plan descriptions at [benefitoptions.az.gov](http://benefitoptions.az.gov).



## VISION PLANS COMPARISON CHART

IN-NETWORK BENEFITS		
	Advantage Vision Care Program	Discount Vision Care Program*
Examination Frequency	Once every 12 months	Once per 12 months
Lenses Frequency	Once every 12 months	Once per 12 months
Frame Frequency	Once every 12 months	Once per 12 months
Examination Copay	\$10 copay	No more than \$45
Optical Materials Copay (Lenses & Frame Combined)	\$0 copay	Refer to schedule below Once per 12 months
Standard Spectacle Lenses		
Single Vision Lenses	Covered-in-full	No more than \$35
Bifocal Lenses	Covered-in-full	No more than \$50
Trifocal Lenses	Covered-in-full	No more than \$65
Lenticular Lenses	Covered-in-full	No more than \$80
Progressive Lenses	Uniform discounted fee schedule less the allowance for Standard Lenses	No more than the Uniform discounted fee schedule
Selected Lens Tints & Coatings	Uniform discounted fee schedule	No more than the Uniform discounted fee schedule
Frame		
Frame	Covered up to \$100-\$150 retail value (\$50 wholesale cost allowance)	20-50% Discount
Contact Lenses (in lieu of frame/spectacle lenses)		
Elective	10-20% discount & \$150 allowance	10-20% Discount
Medically Necessary	Covered-in-full	20% Discount
LASIK/PRK		
LASIK/PRK	Up to 20% savings & \$300 allowance in lieu of all other services for the plan year	20% Discount

*\*Members that choose not to enroll in the Advantage Vision Care Program will automatically be enrolled in the Discount Plan at no cost.*



## VISION PLANS COMPARISON CHART

### Continued

<b>OUT-OF-NETWORK BENEFITS</b>		
	<b>Advantage Vision Care Program</b>	<b>Discount Vision Care Program*</b>
Examination Frequency	Once every 12 months	No benefit
Lenses Frequency	Once every 12 months	No benefit
Frame Frequency	Once every 12 months	No benefit
Examination	Up to \$50 reimbursement	No benefit
<b>Standard Spectacle Lenses</b>		
Single Vision Lenses	Up to \$33 reimbursement	No benefit
Bifocal Lenses	Up to \$50 reimbursement	No benefit
Trifocal Lenses	Up to \$60 reimbursement	No benefit
Lenticular Lenses	Up to \$110 reimbursement	No benefit
Progressive Lenses	Up to \$60 reimbursement	No benefit
Lens Tints & Coatings	No benefit	No benefit
<b>Frame</b>		
Frame	Up to \$50 reimbursement	No benefit
<b>Contact Lenses (in lieu of frame/spectacle lenses)</b>		
Elective	Up to \$150 reimbursement	No benefit
Medically Necessary	Up to \$300 reimbursement	No benefit
<b>LASIK/PRK</b>		
LASIK/PRK	Up to \$300 reimbursement in lieu of all other services for the plan year	No benefit

*\*Members that choose not to enroll in the Advantage Vision Care Program will automatically be enrolled in the Discount Plan at no cost.*





# VISION ONLINE FEATURES

Members can view **Avesis** information by visiting [avesis.com/members.html](http://avesis.com/members.html).

Login with your EIN Number and your last name to have access to:

## ***Search for Providers***

Search for contracted Network providers near your location.

## ***Benefit Summary***

Learn about what is covered under your vision plan and how to use your vision care benefits.

## ***Print an ID Card***

If you lose or misplace your ID card, you can print a new one.

## ***Verifying Eligibility***

You can check your eligibility status before you schedule an exam or order new materials.

## ***Glossary***

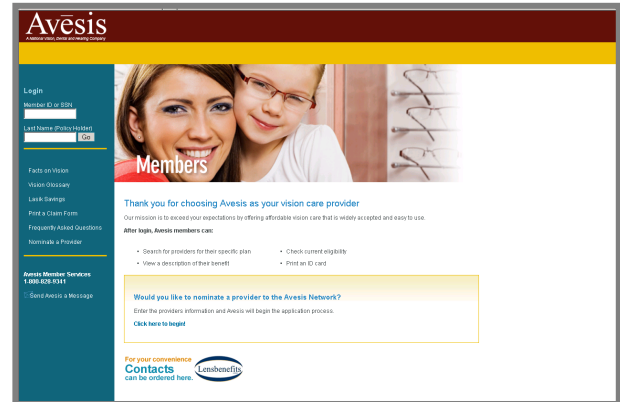
You can learn about vision terminology.

## ***Facts on Vision***

Learn about different vision facts.

## ***Claim Form***

You can obtain an out-of-Network claim form.





# INTERNATIONAL COVERAGE

International Coverage	
<b>MEDICAL CARE</b>	
<b><i>EPO Plans</i></b>	
Aetna	Emergency & Urgent Only
BCBSAZ/AmeriBen*	Emergency & Urgent Only
Cigna	Emergency & Urgent Only
UnitedHealthcare	Emergency & Urgent Only
<b><i>PPO Plans</i></b>	
Aetna	Emergency & Urgent Only at In-Network Benefit Level**
BCBSAZ/AmeriBen*	Emergency & Urgent Only at In-Network Benefit Level**
UnitedHealthcare	Emergency & Urgent Only at In-Network Benefit Level**
<b><i>HSA Plan</i></b>	
Aetna	Emergency & Urgent Only**
<b><i>NAU Only</i></b>	
Blue Cross Blue Shield PPO	For assistance with locating a provider and submitting claims call 1.800.810.2583 or 1.804.673.1686. For an international claim form, go to <a href="http://www.bcbs.com/bluecardworldwide/index">www.bcbs.com/bluecardworldwide/index</a>
<b>PHARMACY</b>	
MedImpact	Not covered
<b>DENTAL CARE</b>	
<b><i>Prepaid/DHMO Plan</i></b>	
Total Dental Administrators Health Plan, Inc.	Emergency Only
<b><i>PPO Plan</i></b>	
Delta Dental PPO plus Premier	Coverage is available under non-participating provider benefits
<b>VISION CARE</b>	
Avesis	Covered as out-of-Network and will be reimbursed based on the Avesis reimbursement schedule

*\*The Blue Cross Blue Shield of Arizona Network administered by AmeriBen is only available in Arizona. AmeriBen has made the PHCS/MultiPlan network available to those members living out of state.*

*\*\*All other services should be verified by Third Party Administrator.*



# COBRA COVERAGE NOTICE

COBRA coverage is available when a “qualifying event” occurs that would result in a loss of coverage under the health plan, such as end of employment, reduction of the employee’s hours, employee becoming entitled to Medicare, marriage, divorce, legal separation, annulment, or death.

Federal law requires that most group health plans give qualified beneficiaries the opportunity to continue their group health coverage when there is a qualifying event. Depending on the type of qualifying event, “qualified beneficiaries” can include an employee covered under the group health plan and his/her enrolled dependents. Certain newborns, newly adopted children, and children of parents under Qualified Medical Child Support Orders (QMCSOs) may also be qualified beneficiaries. This is discussed in more detail in separate paragraphs below. COBRA coverage is the same coverage that the State of Arizona offers to participants.

Each qualified beneficiary who elects COBRA coverage will have the same rights under the Plan as other participants, including open enrollment and HIPAA special enrollment rights. The description of COBRA coverage contained in this notice applies only to group health coverage offered by the State of Arizona (medical, dental, vision and healthcare Flexible Spending Account [FSA]). The Plan provides no greater COBRA rights than what COBRA requires – nothing in this notice is intended to expand your rights beyond COBRA’s requirements.

## **Electing COBRA Coverage**

To elect COBRA coverage, you must complete the election form according to the directions on the election form and mail or deliver by the date specified on the election form to the ADOA Human Resources Division, Benefit Services . Each qualified beneficiary has a separate right to elect COBRA coverage.

For example, the employee’s spouse may elect COBRA coverage even if the employee does not and can elect coverage on behalf of all the qualified beneficiaries. COBRA coverage may be elected for only one, several, or for all dependent children who are qualified beneficiaries.

You may elect COBRA under the group health coverage (medical, dental, vision and health care FSA) in which you were covered under the Plan on the day before the qualifying event. Qualified beneficiaries who are entitled to elect COBRA may do so even if they have other group health plan coverage or are entitled to Medicare benefits on or before the date on which COBRA is elected. However, a qualified beneficiary’s COBRA coverage will terminate automatically if, after electing COBRA, he or she becomes entitled to Medicare benefits or becomes covered under another group health plan (but only after any applicable pre-existing condition exclusions of that other plan have been exhausted or satisfied).

## **Electing COBRA Under the Healthcare FSA**

COBRA coverage under the health care FSA will be offered only to qualified beneficiaries losing coverage who have underspent accounts. A qualified beneficiary has an underspent account if the annual limit elected under the health care FSA by the covered employee reduced by reimbursements of expenses incurred up to the time of the qualifying event, is equal to or more than the amount of premiums for healthcare FSA COBRA coverage that will be charged for the remainder of the plan year COBRA coverage will consist of the health care FSA coverage in force at the time of the qualifying event (i.e., the elected annual limit reduced by expenses reimbursed up to the time of the qualifying event).



# COBRA COVERAGE NOTICE

## Continued

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The use-it-or-lose-it rule will continue to apply, so any unused amounts will be forfeited at the end of the plan year. FSA COBRA coverage will terminate at the end of the plan year. All qualified beneficiaries who were covered under the health care FSA will be covered together for health care FSA COBRA. However, each qualified beneficiary has separate election rights, and each could alternatively elect separate COBRA coverage to cover that qualified beneficiary only, with a separate health care FSA annual coverage limit and a separate COBRA premium. Contact the ADOA Human Resources Division, Benefit Services for more information.

### **Special Considerations in Deciding Whether to Elect COBRA**

In considering whether to elect COBRA coverage, you should take into account that a failure to elect COBRA will affect your future rights under federal law. First, you can lose the right to avoid having pre-existing condition exclusions applied to you by other group health plans if you have more than a 63-day gap in health coverage. Election of COBRA coverage may eliminate this gap. Second, you may lose the guaranteed right to purchase individual health insurance policies that do not impose such pre-existing condition exclusions if you do not get COBRA coverage for the maximum time available to you. Finally, you should take into account that you may have special enrollment rights under federal law. You may have the right to request special enrollment in another group health plan for which you are otherwise eligible (such as a plan sponsored by your spouse's employer) within 30 days after your group coverage ends because of the qualifying event.

You will also have the same special enrollment right at the end of COBRA coverage if you get COBRA coverage for the maximum time available to you.

### **How Long Will COBRA Coverage Last**

COBRA coverage will generally be continued only for up to a total of 18 months. When the qualifying event is the end of employment or reduction of the employee's hours of employment, and the employee became entitled to Medicare benefits less than 18 months before the qualifying event, COBRA coverage for qualified beneficiaries (other than the employee) who lose coverage under the Plan as a result of the qualifying event can last up to 36 months from the date of Medicare entitlement.

This COBRA coverage period is available only if the covered employee becomes entitled to Medicare within 18 months before the termination of employment or reduction of hours. In the case of a loss of coverage due to a employee's death, divorce or legal separation, or a dependent child ceasing to be a dependent under the terms of the Plan, COBRA coverage may be continued for up to a total of 36 months. Regardless of the qualifying event, health care FSA COBRA coverage may only be continued to the end of the plan year in which the qualifying event occurred and cannot be extended for any reason. This notice shows the maximum period of COBRA coverage available to qualified beneficiaries. COBRA coverage will automatically terminate before the end of the maximum period if:

- any required premium is not paid in full on time,
- a qualified beneficiary becomes covered, after electing COBRA coverage, under another group health plan (but only after any applicable pre-existing condition exclusions of that other plan have been exhausted or satisfied),
- the State ceases to provide any group health plan for its employees; or



## COBRA COVERAGE NOTICE

### Continued

- during a disability extension period (the disability extension is explained below), the disabled qualified beneficiary is determined by the Social Security Administration to no longer be disabled.

COBRA coverage may also be terminated for any reason that traditional enrollment would be terminated (for example, the Plan would terminate coverage of a participant or beneficiary not receiving COBRA coverage in a case of fraud).

You must notify the COBRA administrator(s) in writing within 30 days if, after electing COBRA, a qualified beneficiary becomes entitled to Medicare (Part A, Part B or both) or becomes covered under another group health plan (but only after any preexisting condition exclusions of that other plan have been exhausted). COBRA coverage will terminate (retroactively if applicable) as of the date of Medicare entitlement or as of the beginning date of the other group health coverage (after satisfaction of any applicable preexisting condition exclusions). The plan will require repayment of all benefits paid after the termination date, regardless of whether or when you provide notice of Medicare entitlement or other group health plan coverage.

#### Extending the Length of COBRA Coverage

If you elect COBRA coverage, an extension of the period of coverage may be available if a qualified beneficiary is or becomes disabled or a second qualifying event occurs. You must notify the COBRA administrators in writing of a disability or a second qualifying event in order to extend the period of COBRA coverage.

Failure to provide notice of a disability or second qualifying event will affect the right to extend the period of COBRA coverage (the period of

COBRA health care FSA cannot be extended end of the current plan year under any circumstances).

#### Disability

If any of the qualified beneficiaries is determined by the Social Security Administration to be disabled, the maximum COBRA coverage period that results from the covered employee's termination of employment or reduction of hours (generally 18 months as described above) may be extended up to a total of 29 months.

The disability must have started at some time before the 61st day of COBRA coverage obtained due to the covered employee's termination of employment or reduction of hours with the State and must last until the end of the 18-month period of COBRA coverage.

Each qualified beneficiary who has elected COBRA coverage will be entitled to the disability extension if one of them qualifies. The disability extension is available only if you notify the COBRA administrator(s) in writing of the Social Security Administration's determination of disability within 60 days after the latest of:

- the date of the Social Security Administration's disability determination;
  - the date on which the qualified beneficiary loses (or would lose) coverage under the terms of the Plan as a result of the covered employee's termination of employment or reduction of hours; and
  - the date on which the qualified beneficiary loses (or would lose) coverage under the terms of the Plan as a result of the covered employee's termination or reduction of hours.
- You must also provide this notice within the original 18 months of COBRA coverage obtained due to the covered employee's loss of coverage in order to be entitled to a disability extension.



# COBRA COVERAGE NOTICE

## Continued

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The notice must be provided in writing and must include the following information:

- the name(s) and address(es) of all qualified beneficiaries who are receiving COBRA due to the initial qualifying event;
- the name and address of the disabled qualified beneficiary;
- the date that the qualified beneficiary became disabled;
- the date that the Social Security Administration made its determination of disability;
- a statement as to whether or not the Social Security Administration has subsequently determined that the qualified beneficiary is no longer disabled; and
- the signature, name and contact information of the individual sending the notice.

Your notice must include a copy of the Social Security Administration's determination of disability. You must mail this notice within the required time periods to the ADOA Benefits Office.

If the above procedures are not followed or if the notice is not provided within the 60-day notice period, there will be no COBRA coverage disability extension. If the qualified beneficiary is determined by the Social Security administration to no longer be disabled, you must notify the COBRA administrator(s) of that fact within 30 days after the Social Security Administration's determination. The notice must be provided in the same manner as, and include the same information required for, a notice of disability as described above.

### Second Qualifying Event

An extension of coverage will be available to spouses and dependent children who are receiving COBRA coverage if a second qualifying event occurs during the first 18

months (or, in the case of a disability extension, the first 29 months) of COBRA coverage following the covered employee's loss of coverage.

The maximum amount of COBRA coverage available when a second qualifying event occurs is 36 months from the date COBRA coverage began. Such second qualifying events include the death of a covered employee, divorce or legal separation from the covered employee, or a dependent child's ceasing to be eligible for coverage as a dependent under the Plan.

This extension due to a second qualifying event is available only if you notify the COBRA administrator(s) in writing of the second qualifying event within 60 days after the date of the second qualifying event. The notice must include the following information:

- the name(s) and address(es) of all qualified beneficiaries who are receiving COBRA due to the initial qualifying event;
- a description of the second qualifying event;
- the date of the second qualifying event;
- the signature, name and contact information of the individual sending the notice.

In addition, you must provide documentation supporting the occurrence of the second qualifying event, if the ADOA Human Resources Division, Benefit Services requests it. Acceptable documentation includes a copy of the divorce decree, death certificate, or dependent child's birth certificate, driver's License, marriage license or letter from a university or institution indicating a change in student status. You must mail this notice within the required time periods to the ADOA Human Resources Division, Benefit Services. If the above procedures are not followed or if the notice is not provided within the 60-day notice period, there will be no extension of COBRA coverage due to



# COBRA COVERAGE NOTICE

## Continued

### COBRA Coverage Cost

Generally each qualified beneficiary is required to pay the entire cost of COBRA coverage. The amount a qualified beneficiary is required to pay may not exceed 102 percent (or, in the case of an extension of COBRA coverage due to a disability, 150 percent) of the cost to the group health plan (including both employer and employee contributions) for coverage of a similarly situated plan participant who is not receiving COBRA coverage. The required monthly payment for each group health benefit provided under the Plan under which you are entitled to elect COBRA is noted on the Enrollment/Change form.

### Making Your COBRA Coverage Payment

If you elect COBRA coverage, you do not have to send any payment with the election form. However, you must make your first payment for COBRA coverage no later than 45 days after the date of your election (this is the date the election form is postmarked, if mailed, or the date your election form is received by the individual at the address specified for delivery on the election form, if hand delivered). If you do not make your first payment for COBRA coverage in full within 45 days after the date of your election, you will lose all COBRA rights under the Plan. Your first payment must cover the cost of COBRA coverage from the time your coverage under the Plan would have otherwise terminated up through the end of the month before the month in which you make your first payment. You are responsible for making sure that the amount of your first payment is correct.

Please contact the ADOA Human Resources Division, Benefit Services for information about your COBRA payment including how much you owe.

### Monthly Payments for COBRA Coverage

After you make your first payment for COBRA coverage, you will be required to make monthly payments for each subsequent month of COBRA coverage.

The amount due for each coverage period for each qualified beneficiary will be shown in the notice you receive. Under the Plan, each of these monthly payments for COBRA coverage is due on the first day of the month for that month's COBRA coverage.

If you make a monthly payment on or before the first day of the month to which it applies, your COBRA coverage under the Plan will continue for that month without any break. You will be billed for your COBRA coverage. It is your responsibility to pay your COBRA premiums on time.

### Grace Periods for Monthly Payments

Although monthly payments are due on the first day of each month of COBRA coverage, you will be given a grace period of 30 days after the first day of the month to make each payment for that month. Your COBRA coverage will be provided for each month as long as payment for that month is made before the end of the grace period for that payment.

However, if you pay a monthly payment later than the first day of the month to which it applies, but before the end of the grace period for the month, your coverage under the Plan will be suspended as of the first day of the month and then retroactively reinstated (going back to the first day of the month) when the monthly payment is received. This means that your coverage will be suspended.





# COBRA COVERAGE NOTICE

## Continued

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If you fail to make a monthly payment before the end of the grace period for that month, you will lose all rights to COBRA coverage under the Plan. If mailed, your payment is considered to have been made on the date that it is postmarked. If hand delivered, your payment is considered to have been made when it is received. Payments received or postmarked after the due date will not be accepted. You will not be considered to have made any payment if your check is returned due to insufficient funds or otherwise.

### **More Information About Individuals Who May be Qualified Beneficiaries**

A child born to, adopted by, or placed for adoption with a covered member during a period of COBRA coverage is considered to be a qualified beneficiary provided that, if the covered member is a qualified beneficiary, the covered member has elected COBRA coverage for himself or herself and enrolls the child within 30 days of the birth, adoption or placement for adoption. To be enrolled in the Plan, the child must satisfy the otherwise applicable eligibility requirements (for example, age).

### **Alternative Recipients Under QMCSOs**

A child of the covered employee who is receiving benefits under the Plan pursuant to a Qualified Medical Child Support Order (QMCSO) received by the State during the covered employee dates of coverage with the State is entitled to the same rights to elect COBRA as any other eligible dependent child of the covered employee.

This notice does not fully describe COBRA coverage or other rights under the Plan. More information about COBRA coverage and your rights under the Plan is available from the ADOA Human Resources Division, Benefit Services .

If you have any questions concerning the information in this notice or your rights, please contact us:

**ADOA Human Resources Division, Benefit Services**

**100 N. 15th Avenue, Suite 103**

**Phoenix, AZ 85007**

**602.542.5008 or 800.304.3687**

**BenefitsIssues@azdoa.gov**

Information about COBRA provisions for a governmental healthplan is available from the:

**Centers for Medicare & Medicaid Services (CMS)**

**Private Health Insurance Group**

**7500 Security Boulevard**

**Mail Stop S3-16-16**

**Baltimore, MD 21244-1850**

Or you may call 1.410.786.1565 for assistance. This is not a toll-free number. The CMS website is [cms.hhs.gov](http://cms.hhs.gov).



## LEGAL NOTICES

Legal Notices regarding the Benefit Options Program may be found under the “**Legal Notices**” tab of the member website: *[benefitoptions.az.gov](http://benefitoptions.az.gov)*.

**These notices include:**

### **Health Insurance Portability & Accountability Act (HIPAA)**

This notice protects the privacy of individually identifiable health information, and establishes who can use the personal health information and how it can be used.

### **Medicare Notice of Creditable Coverage**

This notice has information about the prescription drug coverage through the Benefit Options program for people with Medicare. It explains the options you have under Medicare prescription drug coverage (Medicare Part D) and can help you decide whether or not you want to enroll.

### **COBRA Coverage Notice**

Notice of the Arizona Benefit Options Program COBRA Coverage.

### **Patient Protection & Affordable Care Act (PPACA)**

Notices of the Arizona Benefit Options Program in reference to PPACA.

### **Privacy Policy**

This notice describes how medical information about you might be used and disclosed.



# GLOSSARY

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## ***Accidental Death and Dismemberment (AD&D)***

A type of insurance through which your beneficiary will receive money if you die or if you are accidentally injured in a specific way.

## ***Appeal***

A request to a plan provider for review of a decision made by the plan provider.

## ***Balance Billing***

A process in which a member is billed for the amount of a provider's fee that remains unpaid by the insurance plan. You should never be balance billed for an in-network service; out-of-network services and non-covered services are subject to balance billing.

## ***Beneficiary***

The person you designate to receive your life insurance (or other benefit) in the event of your death.

## ***Brand-Name Drug***

A drug sold under a specific trade name as opposed to being sold under its generic name. For example, Motrin is the brand name for ibuprofen.

## ***Case Management***

A process used to identify members who are at risk for certain conditions and to assist and coordinate care for those members.

## ***Claim***

A request to be paid for services covered under the insurance plan. Usually the provider files the claim but sometimes the member must file a claim for reimbursement.

## ***COBRA***

### ***(Consolidated Omnibus Budget Reconciliation Act)***

A federal law that requires larger group health plans to continue offering coverage to individuals who would otherwise lose coverage. The member must pay the full premium amount plus an additional administrative fee.

## ***Coinsurance***

A percentage of the total cost for a service/prescription that a member must pay after the deductible is satisfied.

## ***Coordination of Benefits (COB)***

An insurance industry practice that allocates the cost of services to each insurance plan for those members with multiple coverage.

## ***Copay***

A flat fee that a member pays for a service/prescription.

## ***Deductible***

Fixed dollar amount a member pays before the health plan begins paying for covered medical services. Copays and/or coinsurance amounts may or may not apply, see comparison charts on pages 17 and 18.

## ***Dependent***

An individual other than a health plan subscriber who is eligible to receive healthcare services under the subscriber's contract.

## ***Disease Management***

A program through which members with certain chronic conditions may receive educational materials and additional monitoring/support.



## GLOSSARY

### Continued

#### ***Emergency***

A medical or behavioral condition of sudden onset that manifests itself by acute symptoms of sufficient severity (including severe pain) such that a person who possesses an average knowledge of health and medicine could reasonably expect the absence of immediate medical attention to result in placing the health of the insured person in serious jeopardy, serious impairment to bodily functions, serious disfigurement of the insured person, serious impairment of any bodily organ or part of the insured person, or in the case of a behavioral condition, placing the health of the insured person or other persons in serious jeopardy.

#### ***EPO***

##### ***(Exclusive Provider Organization)***

A type of health plan that requires members to use in-network providers.

#### ***Exclusion***

A condition, service, or supply not covered by the health plan.

#### ***Explanation of Benefits (EOB)***

A statement sent by a health plan to a covered person who files a claim. The explanation of benefits (EOB) lists the services provided, the amount billed, and the payment made. The EOB statement must also explain why a claim was or was not paid, and provide information about the individual's rights of appeal.

#### ***Formulary***

The list that designates which prescriptions are covered and at what copay level.

#### ***Generic Drug***

A drug which is chemically equivalent to a brand name drug whose patent has expired and which is approved by the Federal Food and Drug Administration (FDA).

#### ***Grievance***

A written expression of dissatisfaction about any benefits matter other than a decision by a plan provider.

#### ***High Deductible Health Plan***

A type of health plan that provides members the opportunity to open a health savings account.

#### ***HSA***

##### ***(Health Savings Account)***

An account that allows individuals to pay for current health expenses and save for future health expenses on a tax-free basis. Only certain plans are HSA-eligible.

#### ***ID Card***

The card provided to you as a member of a health plan. It contains important information such as your member identification number.

#### ***Long-Term Disability***

A type of insurance through which you will receive a percentage of your income if you are unable to work for an extended period of time because of a non-work-related illness or injury.

#### ***Mail-Order Pharmacy***

A service through which members may receive prescription drugs by mail.

#### ***Member***

A person who is enrolled in the health plan.

#### ***Medically Necessary***

Services or supplies that are, according to medical standards, appropriate for the Diagnosis.



## GLOSSARY

### Continued

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#### ***Member Services***

A group of employees whose function is to help members resolve insurance-related problems.

#### ***Network***

The collection of contracted healthcare providers who provide care at a negotiated rate.

#### ***Out-of-Pocket Maximum***

The annual amount the member will pay before the health plan pays 100% of the covered expenses. Out-of-pocket amounts do not carry over year to year.

#### ***Over-the-Counter (OTC) Drug***

A drug that can be purchased without a prescription.

#### ***PPO***

##### ***(Preferred Provider Organization)***

A type of health plan that allows members to use out-of-network providers but gives financial incentives if members use in-network providers.

#### ***Pre-Authorization***

The process of becoming approved for a healthcare service prior to receiving the service.

#### ***Preventive Care***

The combination of services that contribute to good health or allow for early detection of disease.

#### ***Usual and Customary (UNC) Charges***

The standard fee for a specific procedure in a specific regional area.